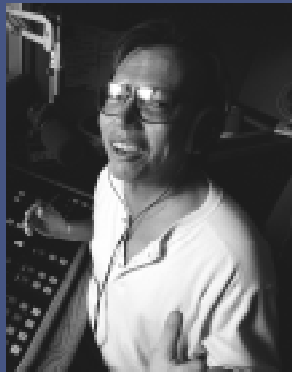


# Impact of Aging Trends

## on the Washington State Government Workforce

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### Task Force Findings

- More than 50% of state employees are 45 or older, and 15% are 55 or over. By comparison, only 35% of the state's general workforce is over 45.
- The state will experience significantly higher turnover due to increasing retirement rates, with some agencies and job categories impacted to a much greater extent than others.
- In 18 agencies, including some of the state's largest, 15-29% of the PERS 1 workforce will be eligible to retire in the next five years.
- More than 50% of executive level and 30% of mid-level managers will be eligible to retire by 2005.
- Agencies will be challenged to replace highly skilled and experienced employees, especially in occupations and locations where the labor market is particularly competitive.
- Over 50% of the state workforce is in the 40-54 age group and at the mid-career stage or more. These employees are competing for a limited number of higher level positions or may have reached the top of their career potential. Consequently, creative ways are needed to recognize achievement and provide continued challenge and growth.
- Older workers often have different needs and interests, which may call for changes in employee benefits, health and safety considerations, and more flexible work arrangements.
- The requirement for PERS 2 & 3 members to work until age 65 to receive full benefits could make the retirement plan less of an incentive in recruiting or retaining the most qualified and sought-after employees.
- Post-retirement work restrictions may limit agencies' ability to access the highly qualified retiree talent pool.
- New technology and ways of doing business are quickly changing many aspects of the workplace. Workers of all ages need adequate training and support so that they can keep pace with these changes and maintain productivity and job satisfaction.

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## Recommendations

- Conduct workforce analysis and planning to anticipate and prepare for increased turnover and other potential impacts of the aging of the workforce. Simply put, workforce planning is “getting the right number of people with the right skills and competencies in the right jobs at the right time.”
- Use succession planning as a way to prepare a pool of qualified candidates to meet future workforce needs and to provide an avenue for long term employees to pass on accumulated knowledge, experience, and historical perspective.
- Streamline recruitment and compensation processes to facilitate replacing or retaining employees. Department of Personnel (DOP) continues to make process improvements within existing laws, but revisions to the civil service statutes are needed to remove systemic barriers.
- Expand and enhance pro-active outreach recruitment efforts in order to be more competitive in an increasingly tight labor market.
- Explore options to help retain experienced workers, such as scheduling flexibility, telecommuting, assignment or career changes, leave options, and downshifting.
- Hire retirees as a source of experienced workers. DOP is currently developing a pool of retirees interested in state positions.
- Eliminate barriers to using retirees as part-time workers by reducing restrictions on post-retirement employment and/or allowing exceptions so that agencies can provide health care coverage as an incentive for retirees to work part-time.
- Ensure that work facilities, equipment, and processes are safe and ergonomically sound, and that the work environment is equally supportive of employees of all ages.



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## Percent of Agency Employees Eligible to Retire by 2005

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Agency	PERS 1	PERS 1 & 2
Agriculture	8%	14%
CTED	11%	21%
Corrections	8%	20%
Ecology	10%	15%
Employment Security	27%	38%
Financial Institutions	11%	21%
Financial Management	17%	28%
Fish & Wildlife	20%	26%
General Administration	10%	25%
Health	10%	18%
Health Care Authority	7%	9%
Information Services	14%	22%
Labor & Industries	16%	27%
Licensing	18%	31%
Liquor Control Board	9%	20%
Lottery	14%	31%
Military Department	3%	8%
Parks and Recreation	12%	17%
Personnel	24%	33%
Retirement Systems	12%	23%
Revenue	16%	26%
DSHS	15%	26%
State Patrol	22%	26%*
Transportation	16%	26%
Utilities and Transportation	15%	17%
Veterans Affairs	9%	22%

Percentages reflect number of agency employees eligible to retire between FY2000-FY2005. Based on recent retirement rates, we would expect to see an average rate of slightly over 12% for this same period. The total percentage for PERS 1 & 2 (last column) includes PERS 2 employees who are eligible to retire with a reduced benefit prior to age 65.

\* Also includes participants in State Patrol retirement system.

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# Tools and Resources

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## Presently Available

### **Workforce Planning:**

- Workforce Planning website on DOP's home page (<http://www.wa.gov/dop/workforceplanning>).
- Resource Directory: Literature references and website links on workforce planning and related subjects
- Workforce data (statewide and by agency) is available through DOP's Human Resource Data Warehouse including, but not limited to:
  - ▶ Workforce composition by job classification and salary
  - ▶ Turnover rates
  - ▶ Retirement eligibility and projections
  - ▶ Workforce demographics: age, gender, race/ethnicity, education level, geographic location, length of service

### **Succession Planning:**

- Tools to prepare for high turnover in management positions:
  - ▶ Profile of suggested management competencies
  - ▶ 360° skill assessment instrument (META 360°)
  - ▶ Management development courses/workshops (entry through advanced)
  - ▶ HELP Academy

### **Employee Redeployment and Development Assistance:**

- Career transition and advancement assistance and workshops
- Customized training and development courses/workshops
- Organizational development and facilitation assistance

### **Job Recruitment and Outreach Assistance:**

- Customized recruitment and selection approaches
- College Recruitment Program
- In-training options
- Governor's Internship Program
- Washington Management Service

### **Employee Productivity & Retention Tools:**

- Workplace climate assessment (State Employee Survey)
- Monetary and non-monetary recognition options
- Flexible, alternative work arrangements, such as flex-time and telecommuting
- Incentives for voluntary separation or downshifting
- Part-time, job sharing, intermittent employment
- Leave options, including elder care leave, dependent care leave, temporary leave-without-pay, shared leave

## Under Development

(Available by Fall 2000)

- Complete Workforce Planning website
- Comprehensive workforce planning guidelines, model, and tool kit, including an emphasis on linking workforce needs to agency strategic plans
- Workforce competency assessment models
- Succession planning guidelines and models
- Training needs assessment tool
- Profiles of suggested competencies for selected generic occupational categories
- Workforce Planning Consultation Team (central source of assistance at DOP)
- Retiree Candidate Pool